



County of Los Angeles CHIEF EXECUTIVE OFFICE

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WILLIAM T FUJIOKA
Chief Executive Officer

August 11, 2010

To: Supervisor Gloria Molina, Chair
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Don Knabe
Supervisor Michael D. Antonovich

From: William T Fujioka
Chief Executive Officer

Board of Supervisors
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First District

MARK RIDLEY-THOMAS
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Third District

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PRELIMINARY REPORT – CARSON REDEVELOPMENT PROJECT PLAN AMENDMENTS - CITY OF CARSON (SECOND DISTRICT)

Consistent with Board policy and direction, we are advising your Board that the City of Carson sent us the Preliminary Report for the proposed amendments to the Carson Redevelopment Agency Existing Project Areas. The Preliminary Report includes the following information:

- Map of the Project Area (Attachment I)
- Physical and Economic Conditions of Blight (Attachment II)
- List of Planned Projects (Attachment III)
- Impact on County General Fund (Attachment IV)

The amendment proposes to: 1) merge Project Area No. 1, the Merged and Amended Project (Project Area Nos. 2 and 3), and Project Area No. 4; 2) reinstate and extend eminent domain, excluding residential uses, in certain areas of Project Area No. 1, the Merged and Amended Project Area, and Project Area No. 4; and 3) add one public improvement project to the existing public improvement project list in Project Area No. 1, which will provide substantial upgrades and improvements to the Los Angeles County Sheriff's Substation. The amendments will provide the Agency with the financial flexibility necessary to complete the redevelopment program activities identified in each redevelopment plan, including economic development, community enhancement, affordable housing, and other projects.

"To Enrich Lives Through Effective And Caring Service"

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Our Office conducted an analysis of the proposed amendments, which included a review of the Preliminary Report and site visits to the project areas. Based on the analysis, this Office believes that the Preliminary Report is generally consistent with the physical and economic blight requirements contained in Redevelopment Law. Specifically, our Office supports the proposed Amendments because: 1) the merger will create the financial flexibility to move funds between Project Areas, which will generate additional tax increment for alleviating remaining blight; 2) the addition of the Carson Sheriff Station Renovation and Expansion Project to the existing list of projects in Project Area No. 1 will fund important improvements to the Carson Sheriff Station including additional space for interviewing victims, video visitation, and new office space for staff and officers including detectives; and 3) the addition of eminent domain authority can enable the Agency to acquire and efficiently consolidate parcels to eliminate blight.

The Agency has tentatively scheduled the Joint Public Hearing to adopt the proposed amendment for September 7, 2010. If you have any questions or need further information, please contact me, or your staff may contact Dorothea Park at (213) 974-4283, or via email at dpark@ceo.lacounty.gov.

WTF:BC
DSP:RTM:acn

Attachments (4)

c: Executive Office, Board of Supervisors
County Counsel
Sheriff
Auditor-Controller
Public Library

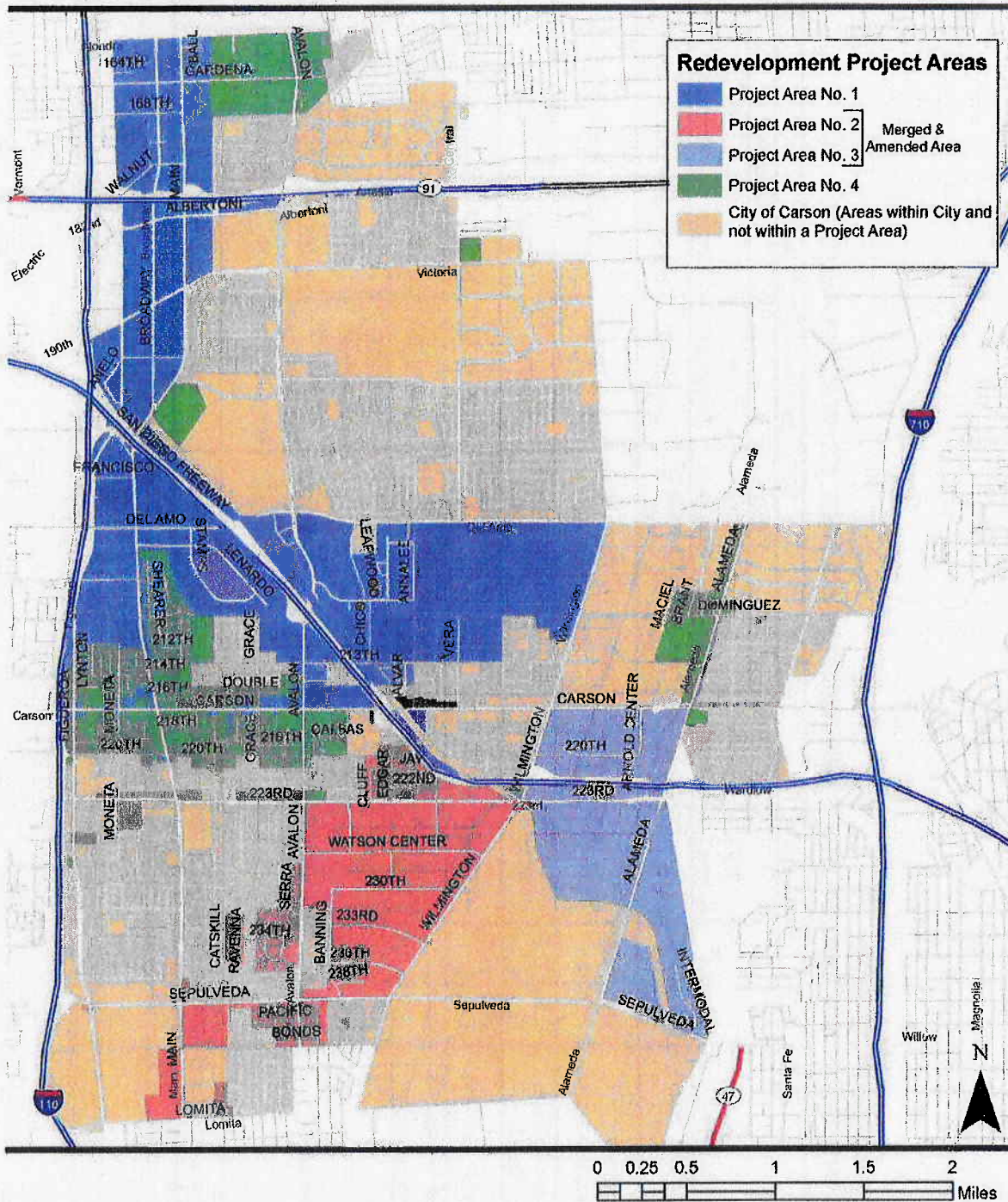
PRELIMINARY REPORT

CARSON CONSOLIDATED PROJECT AREA

Carson Redevelopment Agency

CARSON REDEVELOPMENT AGENCY
EXISTING PROJECT AREAS

EXHIBIT 1



PROJECT AREA DESCRIPTION
PHYSICAL AND ECONOMIC CONDITIONS OF BLIGHT
(From Agency's Preliminary Report)

Physical and Economic Blight Conditions:

- Property values in Los Angeles County and the City have depreciated an average of 8.7 percent between September 2008 and September 2009. However, data suggests that within the same period overall property values have depreciated 28.7 percent in the Existing Project Areas.
- The vacancy rate for industrial uses in the Existing Project Areas is more than twice as high as the South Bay Area (communities south of the 105 Freeway) average.
- The vacancy rate for commercial uses (other than office) in the Existing Project Areas is 1.5 times higher than the averages within the South Bay Area.
- The median office lease rate for the Existing Project Areas is \$1.53 per month, which is about 20 percent lower than the median rate for the entire South Bay Area.
- 48 parcels in the Existing Project Areas were sighted with significant outdoor storage that could cause a serious health and safety problem for those working on or visiting the parcel.
- The Existing Project Areas comprise only 34 percent of the total acreage of the City but contain 62 percent of all active and closed hazardous waste sites citywide.
- The Existing Project Areas comprise 24 percent of the total population within the City but contain 65 percent of on and off-site liquor licenses. Of the 23 citywide liquor license violations issued by ABC, 87 percent of them are located within the Existing Project Areas.
- In 2008, the rate of serious crime within the Existing Project Areas was 61 per 1,000 persons, more than twice as high as the City.
- Observed deterioration and dilapidation rates included: Project Area 1 (24 percent); Merged and Amended Area (18 percent); and Project Area 4 (59 percent).
- There are a significant number of active and closed Hazmat sites in the Existing Project Areas: Project Area 1 (91); Merged and Amended Area (65); and Project Area 4 (27).

LIST OF ESTIMATED PROGRAM COSTSAll Project Areas

ITEM OR PROGRAM	AMOUNT
Street and Alley Improvements	\$85,261,000
New Park Development	\$19,363,000
Public Facility Improvements	\$72,786,000
Public Safety Facilities Improvements	\$61,412,000
Freeway Corridor Improvements	\$17,887,000
Environmental Remediation	\$225,927,000
Total	\$482,636,000

IMPACT ON COUNTY GENERAL FUND

(From Agency's Preliminary Report)

All Project Areas

Time Limits of Plans – Maximum allowable under Law.

Estimated Project Revenues

- **Assumed Annual Real Property Growth Rate:** 4.0%
- **2009-10 Total Estimated Tax Increment:** \$ 31,776,408
- **Gross Estimated Increment (through 2047-48):** \$1,841,474,982
- **Housing Set-Aside (20% Minimum):** \$ 368,294,997
- **Pass-through Payments With Project:** \$ 472,489,836
- **Pass-through Payments Without Project:** \$ 472,489,836
- **Net Difference To County General Fund:** \$ 0

** Note: Estimated zero impact to the County General Fund is based on the fact that the proposed merger will not change any dollar or time limitations of the Projects.*